From: <u>Huff, Ashley (UTC)</u>

To: Roberts, Andrew (UTC); Cupp, John (UTC)

Cc: UTC DL Records Center

Subject: FW: WUTC Public Comments in Bellevue, 6pm 7/31/17, Docket UE-160918

Date: Tuesday, August 1, 2017 12:23:00 PM

Hi Andrew,

Here is the original email...I thought there was an attachment, but it's just the email. Please let me know if you have any questions.

Thanks,

Ashley Huff

Customer Service Specialist 3 (360) 664-1258 Direct (360) 586-1150 Fax

Utilities and Transportation Commission

Respect. Professionalism. Integrity. Accountability.

From: Russell Borgmann [mailto:rborgmann@hotmail.com]

Sent: Monday, July 31, 2017 11:19 PM

To: UTC DL Records Center < records@utc.wa.gov>

Subject: Fw: WUTC Public Comments in Bellevue, 6pm 7/31/17, Docket UE-160918

I submitted these public comments earlier today to Mr. Johnson and am now following up to Records@wutc.wa.gov. Please include these comments as part of the public record.

Sincerely,

Russell Borgmann Bellevue WA 98005

From: Russell Borgmann < rborgmann@hotmail.com>

Sent: Monday, July 31, 2017 2:24 PM

To: Steven Johnson **Cc:** rborgmann

Subject: WUTC Public Comments in Bellevue, 6pm 7/31/17, Docket UE-160918

Comments to the WUTC Regarding Docket No. UE-160918

Mr. Johnson

Senior Commission Policy Advisor, WUTC

The Honorable Mr. Johnson,

The question before the WUTC is approval of another rate increase on behalf of PSE. PSE says they need to increase rates – again. However the WUTC has recently recommended that PSE should LOWER its rates.[ii] Is PSE's recent request to increase rates – AGAIN – another ploy to plump up profits of an investor owned utility, when foreign investors (Macquarie) are seeking to sell their 42% stake in PSE?[iii]

Commissioners of the WUTC, we ask that you protect ratepayers against an investor owned utility that does not appear to have its customer's best interests at heart. PSE says that they must increase costs. Yet, their 10Q financial filings, in the face of robust economic growth and population growth, show that electricity demand is flat to DECLINING. PSE's own 10Q financial filings state that conclusion: "PSE also expects energy usage by both residential electric and natural gas customers to continue a long-term trend of slow decline primarily due to continued energy efficiency improvements."[iii] This has been the trend year-over-year for many years now. We collectively are using less electricity via more efficient building techniques and materials, energy efficient appliances, conservation, and local micro generation. Bonneville Power Administration has already accepted the impact of these changes, and decided to CANCEL its I-5 Reinforcement Project.[iv] BPA stated that evolving energy markets and technology, like batteries, played a major role in the decision to cancel that project.

It's time for PSE to re-evaluate its business model. This is a NOT a question of growing the business, as Macquarie, PSE's owners, has claimed. This is a question of PSE learning how to manage and control its OPERATING costs. It's time for PSE to learn how to operate more efficiently. (Example: PSE's CEO earns TEN TIMES more than Seattle City Light's CEO. Kimberly Harris' salary is more than \$3 Million annually vs. Larry Weis' \$340,000 annual salary). Please protect PSE ratepayers. Please do NOT approve another rate increase. Send a message to PSE that they need to learn how to operate more efficiently in the headwinds of an evolving energy landscape that finds decentralized electricity generation as the new norm of the future. Seek ways to encourage PSE to embrace a new business model that promotes ADDING renewable energy resources to the grid, while retiring dirty, polluting coal generating resources, like Colstrip. Seek ways to encourage and promote the use of battery technologies that smooth peak load demands. Southern California, New York, Hawaii, Australia, the UK, and many other regions have found a way to make that happen. [vi]

In Washington, a region that touts world-class technology and entrepreneurialism as well as a profound love of the environment, we should – and must – LEAD the nation in promoting safer, more reliable, environmentally friendly, sustainable energy resources that are fairly priced. Raising rates for an investor owned utility that owns one of the worst polluting plants west of the Mississippi is a step the wrong direction. Send a clear message to PSE that they must operate more efficiently while seeking ways to provide reliable, environmentally friendly sources of electricity. Please protect ratepayers.

Thank you.

Russell Borgmann 2100 120th Place Bellevue WA 98005

[i] http://www.seattletimes.com/seattle-news/eastside/state-agency-staff-wants-puget-sound-energy-to-lower-its-rates/

[ii] https://www.reuters.com/article/us-puget-energy-m-a-idUSKBN1AA2OB

[iii] http://www.sec.gov/Archives/edgar/data/81100/000108539214000021/pe-2014630x10q.htm#sECEFE0B0BBD3EE26F216FC9CD7981795 (pg 37, under heading **Customer Demand**)

[iV] BPA: http://www.oregonlive.com/business/index.ssf/2017/05/bpa_nixes_costly_and_controver.html

[v] "Combining work forces and eliminating redundancies is not the story. Our interest is to grow the business," said Christopher Leslie, Macquarie hedge fund CEO and PSE Board Director. http://www.mi-reporter.com/news/35017809.html# http://www.pbs.org/wgbh/pages/frontline/shows/blackout/regulation/timeline.html

[Vi] Con Edison – Five Smart Energy Technologies: https://paidpost.nytimes.com/conedison/5-smart-energy-technologies.html
Tesla's Battery Farm Prevents Rolling Blackouts in Southern California: https://www.nytimes.com/2017/01/30/business/energy-environment/battery-storage-tesla-california.html

Tesla's Battery Farm Under Construction in Australia: https://www.reuters.com/article/us-australia-power-tesla-idUSKBN19S0EV
UK Modernizes Grid with Batteries to Save \$52 Billion: https://www.bloomberg.com/news/articles/2017-07-24/u-k-opens-power-grid-to-batteries-in-step-to-save-52-billion

Hawaii Buys Advanced Battery from UniEnergy Technologies: http://www.renewableenergyworld.com/articles/2017/06/consortium-supports-flow-battery-installation-in-hawaii-for-research.html